

**MINUTES OF REGULAR MEETING  
ILLINOIS GAMING BOARD  
July 1, 2002  
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

A Special Meeting of the Illinois Gaming Board ("Board") was held on July 1, 2002. The Board met in the conference room of the Gaming Board Offices on the 3<sup>rd</sup> floor at 160 N. LaSalle for closed session.

The following Board Members were present: Chairman Gregory Jones and Members Ira Rogal, Elzie Higginbottom, Tobias Barry, and Violet Clark.

The meeting convened at 1:03 P.M. Pursuant to Sections 2(c), paragraphs 4 and 11 of the Open Meetings Act and Section 6(d) of the Riverboat Gambling Act, Member Higginbottom moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's (July 1, 2002) agenda and relating to the following subject matter:**

- 1. Administrative hearings;**
- 2. Litigation involving Emerald Casino, Inc.; and**
- 3. Pending litigation and matters involving probable litigation.**

Member Barry seconded the motion. The Board approved the motion unanimously by voice vote.

The Board convened its Open Session at 1:58 P.M.

Administrator Parenti updated the public on the proposed Emerald settlement. Administrator Parenti stated that Judge Sophia Hall issued a decision in favor of the Board's regulatory powers and against Emerald's and Rosemont's argument that the Board is required to approve and allow Emerald to relocate to Rosemont. Administrator Parenti stated that Judge Hall held that the Riverboat Gambling Act, including section 11.2 and section 7(g), must be read consistently under constitutional law, and that any relocation effort must meet the renewal requirements of section 7(g) and, accordingly, must have Board approval. Administrator Parenti stated that Rosemont's legal efforts over the last week were denied in court.

Public Commentary

Jack Roeser, Family Taxpayer's Network, was present to discuss the proposed Emerald settlement agreement. Mr. Roeser stated that in his opinion the State should take over all of the gaming and have independent people operate it. Mr. Roeser stated that the Board has denied Mr. Roeser and Senator O'Malley information about the finances of the individual

riverboats. Mr. Roeser stated that there is no public information on the extraordinarily large profits that casinos are making, which means that the Emerald settlement negotiations are going on without any public knowledge of the immense amount of money that riverboats earn. Mr. Roeser stated that he does not feel that the Board can go forward with selling a casino to anyone without the public knowing the value of a casino license.

Ms. Chaz Ebert, Emerald minority shareholder, was present to discuss the proposed Emerald settlement agreement. Ms. Ebert commended the Gaming Board staff for conducting the negotiations that resulted in the proposed Emerald settlement. Ms. Ebert stated that she disagreed with some of the provisions in the proposed Emerald settlement, specifically Provision B, Shareholder Buyout, and Provision C, Emerald Liabilities. Ms. Ebert stated that out of the ten casino licenses in the State of Illinois, Emerald was the first, and probably the last, to mandate any minority participation. Ms. Ebert stated that as the Emerald settlement goes forward, she hopes that the interest of the minority investors would be taken into consideration.

Rev. William G. Owen, Grayslake United Protestant Church, was present to discuss the proposed Emerald settlement agreement. Rev. Owen stated that the investors of Emerald should not expect to be “made hole” because they provided misleading information to the Board and had connections with organized crime. Rev. Owen stated that if the Rule of Law is to be protected, the Emerald settlement must be rejected.

Frank W. DiCatri, Attorney, Foley and Lardner was present on behalf of Rosemont to discuss the proposed Emerald settlement agreement. Mr. DiCatri stated that the Board suggests that Emerald would be sold in an “open, fair and competitive bidding process,” yet in the same breath informs the public that the Board, in its sole discretion, would determine the sale procedures, and would choose the winning bid. Mr. DiCatri stated that a bidding process that is controlled by the Board, and which produces a winning bid only when the Board declares it to be so, is not “open, fair and competitive.” Mr. DiCatri stated that only through a neutral, disinterested process under the supervision of a court of appropriate jurisdiction, could we really determine which offer is in the best interests of Emerald, its creditors, its shareholders, and citizens of the State of Illinois. Mr. DiCatri stated that the Board has yet to explain from what source it derives the authority to manipulate the sale of Emerald’s license on the open market. Mr. DiCatri invited the Board to cite the specific statutory authority, which authorizes its proposed sale of the license on the open market.

Rev. Tom Grey, National Coalition Against Legalized Gambling was present to discuss the proposed Emerald settlement. Mr. Grey stated that the Emerald investors are “winners.” Mr. Grey stated that it is not fair for Emerald investors to get their original investment back. Mr. Grey stated that the shareholders took a gamble when they invested in Emerald, and they should lose just like gamblers in casinos lose their money. Mr. Grey stated that the winners from the Emerald proposed settlement are the shareholders, lawyers, and the other cities, such as Calumet City and Rockford, who would like to see a casino in their town. Mr. Grey stated that the negative aspect of the Emerald settlement is that the Board is going to trade money for principal. Mr. Grey stated that integrity, trust, and the public’s confidence has

been lost. Mr. Grey stated that the Board needs to do what regulators should do, and that is to “let the chips fall where they may.”

Illinois State Senator, Patrick O’Malley, was present to discuss the proposed Emerald settlement. Senator O’Malley stated that, in his opinion, any proposed deal to settle the Emerald dispute would not satisfy the public outrage its various elements would engender. Senator O’Malley stated that the message that would be sent is that risk capital bares no risk if associated with gambling. Senator O’Malley stated that, in his opinion, no decision should be made on the 10<sup>th</sup> license without further action of the General Assembly to repair the flawed legislation that authorized the 10<sup>th</sup> license. Senator O’Malley asked that the Board take heed to the following: (1) it is wrong for people that have been accused of wrongdoing and people who have been accused of having mob ties to receive their investments back; (2) the Board needs to make potentially incriminating information available to the public; (3) the Board should not be making a final decision on the proposed Emerald settlement on the same day that it allows the public to voice their opinion; (4) the State can not balance its books with the proceeds of any potential sale; and (5) the Board should let the General Assembly step up to do its job, the Board should not be put in a position of having to do it for the General Assembly.

Joseph Wiegand, an Illinois taxpayer, was present to discuss the proposed Emerald settlement. Mr. Wiegand urged the Board not to vote on the settlement and not to reverse the hope that the people of Illinois felt about the regulatory bodies in Illinois 18 months ago. Mr. Wiegand asked the Board why they were in such a rush to vote on a settlement that has been available to the public for less than one week. Mr. Wiegand asked if the rush was because time and public review would illuminate the shortchanging of the public’s interest. Mr. Wiegand stated that the terms of the agreement, especially the terms concerning the buyout of the shareholders and the assumption of “Old Emerald’s” liabilities by “New Emerald,” violates the public welfare on two counts: (1) buying out the existing shareholders rewards dishonesty and collusion with the underworld and sends a message that Illinois regulators lack the courage to do what is right and (2) the Board has proposed to saddle “New Emerald” with so many of “Old Emerald’s” liabilities that the market value of the 10<sup>th</sup> license would be greatly depressed, thus leaving the people of Illinois profiting less.

Timothy J. Patenode, Attorney for KMZ Rosenman, was present on behalf of Marvin Davis to discuss the proposed settlement. Mr. Patenode stated that the Davis Companies object to the June 24, 2002, offer term sheet signed by Kevin Flynn and respectfully asks that the Board not accept the offer until it is modified to appropriately address the rights of the Davis Companies. Mr. Patenode stated that the Davis Companies is the holder of a valid claim against Emerald Casino. Mr. Patenode stated that over the last sever years the Davis Companies have fully cooperated with the Gaming Board in its investigation of Emerald Casino. Mr. Patenode stated that the Davis Companies has been substantially injured by the actions of Emerald Casino, and the offer term sheet does not give appropriate recognition to the Davis Companies claims. Mr. Patenode stated that the proposed transaction should be restructured so that the new Emerald entity should assume the Davis Companies claim and so

that the cash proceeds to the Flynns under the offer term sheet should be escrowed to secure the obligations to the Davis Companies and other claimants.

Ferdinand Serpe, Assistant Corporation Counsel for the City of Calumet City, was present on behalf Dominick Gigliotti, Mayor of Calumet City, to discuss the proposed Emerald settlement. Mr. Serpe stated that the city officials of Calumet City support the proposed settlement agreement between the Illinois Gaming Board and Emerald Casino, Inc. Mr. Serpe stated that Calumet City, located between the Little Calumet and the Grand Calumet Rivers, has suffered greatly in the area of unemployment. Mr. Serpe stated that the demise of the steel mills and refineries have caused many of Calumet City's residents, along with those of Chicago's South Side and neighboring suburbs, to lose their jobs. Mr. Serpe stated that Calumet City has vast acreage along the banks of the Calumet and Grand Calumet Rivers that has never been developed. Mr. Serpe stated that a gaming license in Calumet City would mean economic development to an economically depressed, yet strategically geographic, area of the State of Illinois. Mr. Serpe stated that a gaming license in Calumet City would attract hundreds of millions of dollars away from Indiana and would provide an enticing facility to keep persons from traveling outside of Illinois to recreate and wager.

John E. Dougherty, Attorney, was present on behalf of Shaun Gayle, Emerald minority investor, to discuss the proposed Emerald settlement. Mr. Dougherty stated that he feels that his client, Shaun Gayle, and the other minority shareholders should have their legal fees and the interest that was paid to third parties returned to them. Mr. Dougherty stated that the proposed settlement was not a situation where Mr. Gayle had a lot of options. Mr. Dougherty stated that an opportunity has now been made available for minorities to participate, but the current structure of the proposed settlement essentially calls for a forced sale by the minority shareholders that would allow them to repurchase their interest. Mr. Dougherty stated that the process of a forced sale and a buyback might prevent certain minorities from repurchasing their interest due to the transaction cost and the potential price to buy back into the new license. Mr. Dougherty suggested that it would be a more fair process if the Board conducted background investigations of each of the minority shareholders; and if the minority shareholders pass the investigative background check, they should be permitted to retain their current investments.

Gregg Horan, Managing Partner of Gibson's Steakhouse, was present to discuss the proposed Emerald settlement. Mr. Horan stated that he believes that the City of Rosemont has been betrayed. Mr. Horan stated that contrary to what some people have insinuated, Rosemont is not a city where a criminal lies around every corner. Mr. Horan stated that Rosemont is a great place to work, to do business, and the only logical location for the 10<sup>th</sup> license. Mr. Horan stated that Gibson's Steakhouse supports having a casino in Rosemont because it would do the most good for the State and its people. Mr. Horan stated that having a casino in Rosemont would be another reason for conventions to bring their shows to both Downtown and to the Rosemont Convention Center, which would bring millions of dollars to the State.

Richard Morgan, Managing Director of Hyatt O'Hare, was present to discuss the proposed Emerald settlement. Mr. Morgan stated that the Village of Rosemont is a wonderful place to do business. Mr. Morgan stated that Rosemont is safe, clean, and secure, and the management of Rosemont would follow all of the Board's guidelines, which is why Rosemont should, in his opinion, be the place where the 10<sup>th</sup> casino license is located.

Mayor Anthony Calderone, Mayor of Forest Park and President of the West Central Municipal Conference, was present to discuss the proposed Emerald settlement. Mr. Calderone stated that 71 communities, representing more than half of Cook County, came to the same conclusion that a gaming facility in Rosemont presents not only an optimal location but also an unparalleled opportunity for inter-governmental cooperation. Mr. Calderone stated that the Village of Forest Park, located a few miles from Rosemont, stands "hand in hand" with all of the communities that are part of a proposed revenue sharing agreement. Mr. Calderone stated that he supports the Board in making sure that wrongdoers do not profit from the proposed Emerald settlement. Mr. Calderone stated that he would like for the Board to grant a license to whoever would be best qualified to have the license. Mr. Calderone stated that he would like for the Board to make a decision that would allow the new license to still be located in the Village of Rosemont so that the 71 communities could share the benefit of needed revenue.

Irene Brodie, Mayor of Robbins, was present to discuss the proposed Emerald settlement. Ms. Brodie stated that she supports having a casino in the Village of Rosemont. Ms. Brodie stated Emerald is the first license, to her knowledge, where underdeveloped communities were offered a share of casino revenue. Ms. Brodie stated that whoever the 10<sup>th</sup> license is issued to should include minorities. Ms. Brodie stated that Robbins is one of the 14 poorest communities in the country, and the second poorest in Cook County, which is not a distinction that the City of Robbins enjoys having. Ms. Brodie stated that Village of Rosemont made a commitment to include the City of Robbins, which is why she is in favor of a casino in Rosemont. Ms. Brodie asked that when the Board makes its decision that the Board keep the underdeveloped communities in mind.

Terrence Norton, Better Government Association (BGA), was present to discuss the proposed Emerald settlement. Mr. Norton stated that BGA recommends that the Board reject the proposed settlement. Mr. Norton stated that there is a flaw in the Riverboat Gambling Act by which Emerald has sought to operate a license in Rosemont. Mr. Norton stated that the legislature passed special legislation that only benefited Emerald Casino. Mr. Norton stated that Administrator Parenti had earlier stated that all of the litigation had been settled; however, there is still a lawsuit pending in the Circuit Court of Cook County, which was filed by a taxpayer. Mr. Norton stated that he feels that it would be a mistake for the Board to move forward with a proposed settlement that could be "blown apart" by the taxpayer's lawsuit. Mr. Norton stated that neither the Board nor the State of Illinois owes Emerald or its investors anything. Mr. Norton stated that the Board represents the taxpayers and the citizens of Illinois. Mr. Norton stated that the Board does not have the authority to bid out the 10<sup>th</sup> license. Mr. Norton stated that the Board could only do what it has done in the past

and that is give a license to an applicant for \$50,000 dollars. Mr. Norton stated that the Board could not oversee competitive bidding.

Earl Field, Village President of River Forest, was present to discuss the proposed Emerald settlement. Mr. Field stated that the Board has done an admirable job with the other nine riverboat casino licenses. Mr. Field asked that the Board do the right thing and award a license to Rosemont. Mr. Field stated that River Forest is one of the 71 municipalities that needs the revenue that a casino in Rosemont could provide. Mr. Field stated that Rosemont is the only village that has thought about sharing the revenues with 71 other municipalities. Mr. Field stated that with the shrinking revenues and sales tax, and the inability for a village to provide increased taxes, River Forest needs the additional revenue. Mr. Field urged the Board to make their decision in favor of the Village of Rosemont.

Cindy Canary, Illinois Campaign for Political Reform, was present to discuss the proposed Emerald settlement. Ms. Canary stated that the Illinois Campaign for Political Reform tracks money in politics at the state level and looks at ethics in government. Ms. Canary stated that the Illinois Campaign for Political Reform takes no position on gaming; however, the organization is acutely concerned about the influence of money on public policy and the public perception of undue influence and corruption. Ms. Canary stated that when the Gaming Board rejected the transfer of Emerald Casino's license to Rosemont in January of 2001 the citizens of Illinois saw good government in action. Ms. Canary commended the Board for its action in January of 2001, and urged the Board to show that kind of leadership and integrity by rejecting the proposed Emerald settlement offer.

Rita Mullins, Mayor of Palatine, was present to discuss the proposed Emerald settlement. Ms. Mullins stated that a casino in Rosemont would mean that almost \$500,000 dollars would go to the City of Palatine. Ms. Mullins stressed that the City of Palatine could use the extra revenue. Ms. Mullins stated that a casino in Rosemont would mean that there would be new municipal revenues, which would mean fewer increases to property taxes and more money for education, transportation, and public safety needs. Ms. Mullins stated that because Rosemont is near the airport, a casino in Rosemont would attract out-of-state revenue. Ms. Mullins stated that no other proposal has the positive revenue sharing aspect that the Rosemont location has. Ms. Mullins urged the Board to do what is best for the State of Illinois, which, in her opinion, is to allow the 10<sup>th</sup> license to be located in Rosemont.

Nancy Duel, Northern Illinois Conference, Anti-Gambling Task Force, was present to discuss the proposed Emerald settlement. Ms. Duel urged the Board to reject the proposed Emerald settlement. Ms. Duel stated that Emerald's license revocation action needs to proceed through the proper legal procedures for justice to be done. Ms. Duel stated that there are too many issues and other related litigation concerning Emerald Casino for the Board to accept a "quick fix." Ms. Duel stated that there are serious concerns about the constitutionality of the specialized legislation passed in 1999 concerning the 10<sup>th</sup> license. Ms. Duel stated that prior to the 1999 legislation, it would not have been possible for the 10<sup>th</sup> license to be located in Cook County or on a boat or barge that does not cruise. Ms. Duel asked the Board in what other business ventures that fail does the investors get back their

original investments. Ms. Duel stated that there is no need to reward any of the Emerald investors for a bad investment by returning their original investment and covering their legal costs. Ms. Duel stated that the purpose of the Board is to regulate the gambling industry in Illinois. Ms. Duel stated that it is not the Board's responsibility to raise money to bail out the budget for the State of Illinois. Ms. Duel urged the Board not to accept an ill-conceived settlement deal.

Thomas Kirkpatrick, President, Chicago Crime Commission, was present to discuss the proposed settlement. Mr. Kirkpatrick stated that the Chicago Crime Commission is opposed to having a casino in the Village of Rosemont. Mr. Kirkpatrick stated that the Board found Emerald unfit to operate a casino in Illinois. Mr. Kirkpatrick stated that Emerald challenged the Board's findings that Emerald's investors are unfit to operate a casino in Illinois. Mr. Kirkpatrick stated that an administrative hearing is currently underway to allow the Board to put into public record its evidence of "Old Emerald's" misrepresentations. Mr. Kirkpatrick stated that Emerald casino does not have a license to sell because the Board found Emerald unfit to hold a license. Mr. Kirkpatrick stated that licensees should not be able to sell their licenses at will. Mr. Kirkpatrick stated that Emerald investors should not receive a profit, nor should Emerald's liabilities be assumed by a prospective buyer. Mr. Kirkpatrick stated that Illinois taxpayers should not be placed in the position of bailing out the Emerald investors. Mr. Kirkpatrick stated that a major flaw in the proposed settlement agreement is that it leaves open the possibility that the Village of Rosemont might be eligible as a casino site. Mr. Kirkpatrick stated that based on the facts that have unfolded, the Village of Rosemont is not a suitable location for a licensed casino. Mr. Kirkpatrick urged the Board to demand that the Emerald settlement be rejected in its current form.

Jerome Siegan, Attorney, Earl Neal and Associates, was present to discuss the proposed settlement. Mr. Siegan stated that he represents sixteen minority and women shareholders of Emerald Casino, Inc. Mr. Siegan stated that the sixteen minority and women shareholders became shareholders in Emerald as a result of legislation of the General Assembly, which mandated that Emerald offer minorities and women an opportunity to become shareholders. Mr. Siegan stated that on the basis of the legislative mandate, in 1999, the minorities and women invested \$30 million dollars, an amount equal to almost 50% of the total monies invested in Emerald. Mr. Siegan stated that the Board has never made any allegation that any of the minority or women shareholders have ever engaged in any improper conduct as it relates to the disciplinary matters currently pending against Emerald. Mr. Siegan stated that the minority and women shareholders had no participation in the management or operation of Emerald. Mr. Siegan stated that the minority and women shareholders wish only to be made whole and not suffer a loss due to the actions of others. Mr. Siegan requested that the Board require "New Emerald" to pay the attorney fees and costs incurred by the minority and women shareholders. Mr. Siegan stated that the proposed Emerald settlement agreement should specify the terms by which minority shareholders can reinvest in "New Emerald." Mr. Siegan asked that the Board protect the integrity of the minority and women shareholders, which was mandated by the General Assembly.

Mr. Robert Shapiro, outside counsel to the Board, stated that it is important to listen to all of the concerns that have been raised and that he would take them into consideration during the course of any settlement discussions and during any recommendations to the Board. Mr. Shapiro briefed the public and the Board on the details of the proposed settlement to clear up any uncertainties as to what the settlement is proposing.

At 3:50 P.M. Member Barry moved that **pursuant to Section 2 (c), paragraph (4) and (11) of the Open Meetings Act and Section 6(d) of the Riverboat Gambling Act, the Board retire to Closed Session to discuss the following subject matters:**

- 1. Administrative Hearings;**
- 2. Litigation involving Emerald Casino, Inc.; and**
- 3. Pending litigation and matters involving probable litigation.**

Member Clark seconded the motion. The Board approved the motion unanimously by voice vote.

At 4:50 the Board resumed to Open Session.

Chairman Jones stated that he is the only Board member that has been around for the entire Emerald matter, which dates back to 1999. Chairman Jones stated that the Emerald matter has been long and controversial. Chairman Jones stated that suspicion of secret deals and closed-door discussions emerged during the administrative hearing, and Chairman Jones felt that the suspicion negatively impacted the Emerald matter. Chairman Jones stated that as the Board entered into settlement discussions with Emerald, the Board wanted to try to restore to the process an openness, fairness, competitiveness, and a transparency, so that the citizens of Illinois could see what was going on and what factors the Board was considering during the Board's decision making process. Chairman Jones stated that in order to settle the case with Emerald, as a core principle, the Board would require the process to be open to all developers and communities and to be fair. Chairman Jones stated that as the proposed Emerald settlement relates to "best offer," it does not necessarily mean best financial offer. Chairman Jones stated that there are other factors that the Board would take into consideration that would ensure that no potential location or developer had a "leg up." Chairman Jones stated that Emerald's sale would truly be an open and competitive process. Chairman Jones invited the Attorney General to analyze the competitive bidding process, to monitor the process, and to be a participant with the Board. Chairman Jones stated that another core value since the Emerald process started in 1999 was that the Board would not reward wrongdoers. Chairman Jones stated that no settlement is perfect. Chairman Jones stated that during a settlement, the goal is to try to achieve the core principals that are in the best interest of the public, and that is what the Board has tried to do in the Emerald matter. Chairman Jones stated that he is aware that many people believe that avoiding lengthy litigation is not an appropriate factor to consider in a settlement; however, Chairman Jones stated that sometimes practical realities come into effect that require considerations of what is in the best interests of the State. Chairman Jones stated that he believed that getting the 10<sup>th</sup> casino operational and facilitating a resolution to litigation that could last for several years was in



the public's best interest. Chairman Jones addressed the public's concern regarding information, which might have been presented in the Emerald hearing, being concealed if the Emerald hearing does not proceed. Chairman Jones stated that the information would be made public to the extent that the information is relevant to the selection of any new licensee or any new location.

Member Rogal stated that the proposed Emerald settlement is more favorable than any settlement pertaining to Emerald that he has previously reviewed. Member Rogal stated that during his term on the Board he has served with four different Board members, other than the Chairman, and there were many discussions regarding Emerald. Member Rogal stated that based upon the discussions that Member Rogal shared with the previous Board members, Member Rogal could honestly say that every one of those other four former Board members would have also been in support of the Emerald settlement proposal. Member Rogal stated that it is very important to have a fair, open, and competitive process, and that it is important for the Board to obtain input from the public, existing Emerald shareholders, municipalities, and the potential bidders as to how the process should work. Member Rogal encouraged the public, municipalities and the potential bidders to submit written comments on how they feel the process should work, including the timing of the process, how the Board could best receive proposals, and how to protect the public while still getting the best proposal.

Member Higginbottom stated that he joined the Board approximately a year ago and that much of the discussion revolved around Emerald. Member Higginbottom echoed the Chairman's and Member Rogal's comments. Member Higginbottom commended the Chairman on the leadership that he has displayed throughout the entire Emerald process. Member Higginbottom stated that as a new member to the Board trying to understand some of the rationale behind the original decisions, Member Higginbottom needed reference points, and Chairman Jones was able to give Member Higginbottom, as well as the other new Board members, reference points. Member Higginbottom stated that Chairman Jones also made Staff available to the Board members to help the Board in arriving at conclusions. Member Higginbottom stated that the one thing that was consistent throughout Chairman Jones' discussion was that he wanted to protect the people of the State of Illinois and he also wanted to make sure that the integrity of gaming in the State of Illinois was protected.

Member Barry echoed Chairman Jones' comments. Member Barry stated that he has learned a lot in the last few months and certainly intends to see to it that the process is open and fair. Member Barry stated that he believes that it is time to move the Emerald matter along.

Member Clark stated that as the newest member of the Board, she has been very pleased with the amount of work and dedication of Staff and the Board. Member Clark stated that she has been impressed by how seriously Staff takes their role in this regard. Member Clark thanked the Staff and the Board for providing her with the information needed to begin to get up to speed on all of the issues that surround Emerald and other issues that the Board deals with on a regular basis. Member Clark stated that she does not have enough information to make an informed decision about whether the proposal or Offer Term Sheet is the one that should be

in place. Member Clark stated that because of her lack of information, she would abstain from voting with respect to the proposed Emerald settlement.

Member Higginbottom moved that **the Board direct its counsel to prepare for submission to and final consideration by the Board at a future meeting a Settlement Agreement between Emerald Casino, Inc. and the Board, incorporating therein Emerald's Offer Term Sheet.** Member Barry seconded the motion. The Board approved the motion unanimously by voice vote. Member Clark abstained.

Member Rogal moved to adjourn. Member Barry seconded the motion. The Board approved the motion unanimously by voice vote. The Board adjourned at 4:50 P.M.

Respectfully submitted,  
Monica Thomas

Secretary to the Board